



Mare Baltic PCC Ltd. – 2005-1 Cell

ScandiNotes® III

**Investor Report
September 30, 2009**

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1) General Information on Notes

Series	ScandiNotes® III Senior	ScandiNotes® III Mezzanine	ScandiNotes® III Junior
Issuer	Mare Baltic PCC Ltd. – 2005-1 Cell	Mare Baltic PCC Ltd. – 2005-1 Cell	Mare Baltic PCC Ltd. – 2005-1 Cell
Moody's Rating	Ba2 (on review for possible downgrade)	Ca	Not rated
ISIN codes	DK0030015128	DK0030015201	DK0030015391
Issue date	1 November 2005	1 November 2005	1 November 2005
Expected maturity	1 November 2010	1 November 2010	1 November 2010
Legal maturity	1 November 2015	1 November 2015	1 November 2015
Call feature	Mare Baltic has the right, but not the obligation, to call the notes at par on 1 November 2010 and hereafter semi-annually	Mare Baltic has the right, but not the obligation, to call the notes at par on 1 November 2010 and hereafter semi-annually	Mare Baltic has the right, but not the obligation, to call the notes at par on 1 November 2010 and hereafter semi-annually
Coupon	6M Euribor + 0.38 % p.a., each 1 May and 1 November, i.e. semi-annually, (act/360)	2 % p.a. on 1 November, i.e. annually, (act/act)	2 % p.a. on 1 November, i.e. annually, (act/act)
Step-up margin	If the notes are not redeemed at the expected maturity date (1 November 2010), an additional Step Up Margin will be added to the Coupon. This step-up margin will be minimum 0 % p.a.	If the notes are not redeemed at the expected maturity date (1 November 2010), an additional Step Up Margin will be added to the Coupon. This step-up margin will be minimum 0 % p.a.	If the notes are not redeemed at the expected maturity date (1 November 2010), an additional Step Up Margin will be added to the Coupon. This step-up margin will be minimum 0 % p.a.
Latest (Rough) Indicative Price levels (bid) Prices have been determined by FinE Analytics	Price: 60	Price: 0	Price: 0
Original Nominal Amount	EUR 201,600,000.00	DKK 413,370,000.00	DKK 279,050,000.00

2) Portfolio events since last report

RA Event Fiona Bank A/S

On 23 February the Board of Fionia Bank A/S announced that as a consequence of the development on the financial markets, Fionia Bank A/S have signed a framework agreement with the state company Financial Stability (Afviklingsselskabet til sikring af finansiel stabilitet A/S). As a consequence of this, all assets and liabilities except Tier 1, Tier 2 capital and equity were transferred to a new re-capitalised business unit. The Board of Fionia Bank A/S further announced end of May that no payments of interest on the remaining liabilities would be made which led to an RA Event (i.e. a default or a deferral of, or the intention to, defer or repudiate any obligations by a borrower) under the ScandiNotes Programmes and a swap resettings for ScandiNotes II, III; and IV.

Mare Baltic PCC Limited released this information on OMX Nasdaq Copenhagen Exchange on 19 June 2009.

Fionia Bank A/S participated in ScandiNotes III with a term loan of an amount of EUR 30,000,000.

As a consequence of Fionia Bank A/S RA Event the Class A Swap and the Class B Swap under the Hedging Agreement have been reset to reflect the loss of cash flow from Fionia Bank A/S. The net result of Fionia Bank's default resulted in a reduction of the amount of the Class B Notes from an original notional amount of DKK 413,370,000 to DKK 0, which means that there will be no payment of interest and principal on the Class B Notes, unless there are any recoveries. The amount of the Class A Notes has now been reduced from EUR 201,600,000 to EUR 196,868,600. This means that there will be a total pro rata reduction of the amount of interest and principal on the Class A Notes of 2.347 per cent.

3) Net results of portfolio events since issue date

Senior Tranche

The net result is that the amounts payable to the Issuer on each payment date under the Class A Swap have been reduced from 6-Month Euribor + 38bps per annum on a notional amount of EUR 201,600,000 to 6-Month Euribor + 38bps per annum on a notional amount of EUR 196,868,600; and the amount payable to the Issuer on the termination date of the Class A Swap has been reduced from EUR 201,600,000 to EUR 196,868,600; a reduction of 2.347% .

The loss for the Senior Note holders is thus, subject to any potential recoveries from the above mentioned banks, 2.347% of the investment.

Mezzanine Tranche

The net result is that the amounts payable to the Issuer on each payment date under the Class B Swap have been reduced from 2 per cent per annum on a notional amount of DKK 413,370,000 to 2 per cent per annum on a notional amount of DKK 0; and the amount payable to the Issuer on the termination date of the Class B Swap has been reduced from DKK 413,370,000 to DKK 0; a reduction of 100.0% .

The loss for the Mezzanine Note holders is thus, subject to any potential recoveries from the above mentioned banks, 100% of the investment.

Junior Tranche

The net result for the junior tranche is that the amounts payable to the Issuer on each payment date under the Class C Swap have been reduced from 2 per cent per annum on a notional amount of DKK 279,050,000 to 2 per cent per annum on a notional amount of DKK 0; and the amount payable to the Issuer on the termination date of the Class C Swap has been reduced from DKK 279,050,000 to DKK 0; a reduction of 100% .

The loss for the junior Note holders is thus, subject to any potential recoveries from the above mentioned banks, 100% of the investment.

4) Underlying obligors in ScandiNotes® III and nominal amounts

ScandiNotes® III	EUR	%
Amagerbanken	27.000.000	9,6%
Engsbank Han Herred*	7.500.000	2,7%
Fionia Bank*	30.000.000	10,7%
Forstædernes Bank (Nykredit)	10.000.000	3,6%
Icebank*	15.000.000	5,4%
Middelfart Sparekasse	10.000.000	3,6%
Morsø Bank	7.500.000	2,7%
Reykjavik Savings Bank (Spron)*	10.000.000	3,6%
Roskilde Bank*	30.000.000	10,7%
Skælskør Bank	10.000.000	3,6%
Sparekassen Farsø	5.000.000	1,8%
Sparekassen Lolland	15.000.000	5,4%
Spar Nord Bank	33.500.000	12,0%
SparTrelleborg (Sydbank)	7.500.000	2,7%
Sparekassen Østjylland	3.500.000	1,3%
Sparbanken Gripen	5.000.000	1,8%
Sparebanken Vestfold	10.000.000	3,6%
Sparebanken Øst	7.500.000	2,7%
Tønder Bank	5.000.000	1,8%
Totalbanken	3.500.000	1,3%
Vestjysk Bank	15.000.000	5,4%
Østjysk Bank	12.500.000	4,5%
Total:	280.000.000	100,0%

*Red marked banks have caused an RA-Event

5) Key Figures of the Underlying Obligor I

Country	Obligors	Total Assets			Total Equity			Subordinated Debt			Tier 2 ratio %		Loans and advances		
		2007	2008	Δ Pct.	2007	2008	Δ Pct.	2007	2008	Δ Pct.	2007	2008	2007	2008	Δ Pct.
Denmark <i>Amounts in DKK m</i>	Amagerbanken	31.101	35.673	15%	2.319	1.705	-26%	1.351	1.174	-13%	12,5	10,3	24.664	24.497	-1%
	ebh bank ¹	10.421	n.a.		1.133	n.a.		401	n.a.		11,0	n.a.	7.799	n.a.	
	Fionia Bank ²	31.519	32.767	4%	2.018	991	-51%	881	843	-4%	10,5	8,5	20.204	21.398	6%
	Forstædernes Bank	33.832	32.298	-5%	2.208	3.055	38%	1.404	1.745	24%	11,2	15,5	25.386	22.260	-12%
	Middelfart Sparekasse	5.024	5.151	3%	672	597	-11%	308	308	0%	14,9	17,3	3.483	3.407	-2%
	Morsø Bank	3.627	4.916	36%	315	310	-2%	136	256	88%	12,3	13,4	2.765	3.498	27%
	Roskilde Bank ³	41.983	n.a.		2.633	n.a.		2.526	n.a.		11,9	n.a.	32.551	n.a.	
	Skælskør Bank	2.549	2.594	2%	300	274	-9%	200	200	0%	12,6	13,2	1.865	1.885	1%
	Spar Nord Bank	63.394	69.268	9%	4.138	4.025	-3%	1.770	1.652	-7%	11,1	11,3	40.939	45.376	11%
	Sparekassen Farsø	3.857	4.073	6%	374	358	-4%	234	238	2%	11,9	11,8	2.919	3.042	4%
	Sparekassen Lolland	9.310	10.284	10%	1.313	1.208	-8%	284	277	-2%	13,9	13,9	7.195	7.473	4%
	Sparekassen Østjylland	6.339	8.011	26%	920	703	-24%	323	278	-14%	15,1	13,2	4.260	4.745	11%
	sparTrelleborg ⁴	8.001	n.a.		620	n.a.		393	n.a.		10,5	n.a.	5.331	n.a.	
	Totalbanken	2.958	3.075	4%	348	321	-8%	121	121	0%	12,3	12,4	2.207	1.941	-12%
	Tønder Bank	2.419	2.317	-4%	269	247	-8%	162	162	0%	14,2	15,2	1.638	1.662	1%
Vestjysk Bank ⁵	18.513	32.216	74%	1.714	2.200	28%	438	1.172	168%	9,1	9,8	14.563	24.069	65%	
Østjydsk Bank	5.953	5.903	-1%	586	620	6%	403	403	0%	13,8	15,8	4.078	4.344	7%	
Sydbank	132.323	155.975	18%	6.697	7.088	6%	3.829	4.219	10%	11,9	14,7	83.027	95.758	15%	
Iceland															
<i>Amounts in ISK m</i>	Icebank Ltd. +)	252.512	n.a.		13.361	n.a.		2.410	n.a.		11,0	n.a.	97.198	n.a.	
	SPRON +)	224.196	n.a.		27.761	n.a.		5.433	n.a.		13,4	n.a.	161.630	n.a.	
Norway															
<i>Amounts in NOK m</i>	Sparebanken Vestfold ++)	10.830	21.395	98%	689	1.297	88%	302	584	93%	12,3	13,3	9.751	18.250	87%
	Sparebanken Øst	22.034	25.181	14%	1.546	1.114	-28%	656	669	2%	15,6	11,5	16.937	17.640	4%
Sweden															
<i>Amounts in SEK m</i>	Sparbanken Gripen	8.429	8.749	4%	426	466	9%	449	413	-8%	12,4	n.a.	7.066	7.165	1%

5) Key Figures of the Underlying Obligors II

Country	Obligors	Operating Income**			Provisions/ Total Loan and Guarantees ***		Loan Loss Reserves/ Total Loans and guarantees*		Cost/Income ratio	
		2007	2008	Δ Pct.	2007	2008	2007	2008	2007	2008
Denmark	Amagerbanken	1.081	1.063	-2%	0,1%	3,8%	1,2%	4,9%	54,3%	163,9%
<i>Amounts in DKK m</i>	ebh bank ¹	691	n.a.		0,0%	n.a.	0,6%*	n.a.	55,6%	n.a.
	Fionia Bank ²	959	902	-6%	0,3%	4,8%	1,1%	3,9%	67,1%	204,1%
	Forstædernes Bank	1.079	646	-40%	0,2%	5,4%	0,8%*	5,9%*	66,7%	333,3%
	Middelfart Sparekasse	274	225	-18%	0,3%	0,9%	1,2%*	2%*	83,3%	125,0%
	Morsø Bank	136	123	-10%	0,1%	0,4%	1,3%	1,5%	71,9%	100,0%
	Roskilde Bank ³	1.110	n.a.		0,6%	n.a.	1,2%	n.a.	71,4%	n.a.
	Skælskør Bank	159	123	-23%	0,4%	1,4%	0,9%	2,1%	71,4%	111,1%
	Spar Nord Bank	1.889	1.736	-8%	-0,2%	0,5%	1,0%*	1,2%*	65,0%	71,0%
	Sparekassen Farsø	150	116	-23%	0,1%	0,9%	1,5%	2,1%	71,4%	125,0%
	Sparekassen Lolland	383	326	-15%	0,1%	1,5%	0,5%*	1,9%*	62,5%	125,0%
	Sparekassen Østjylland	203	68	-67%	-0,4%	1,9%	1,3%	3,4%	76,9%	500,0%
	sparTrelleborg ⁴	330	n.a.		1,2%	n.a.	1,7%*	n.a.	105,3%	n.a.
	Totalbanken	158	126	-20%	-0,2%	2,1%	0,9%	3,1%	43,3%	125,0%
	Tønder Bank	123	70	-43%	0,3%	0,5%	1,7%	2,2%	62,5%	125,0%
	Vestjysk Bank ⁵	642	892	39%	-0,1%	0,6%	0,9%	1,1%	56,0%	47,0%
	Østjydsk Bank	238	234	-2%	0,2%	0,8%	1,7%	2,2%	55,6%	76,9%
Sydbank	3.855	4.052	5%	-0,6%	0,6%	0,9%	1,0%	41,7%	83,3%	
Iceland										
<i>Amounts in ISK m</i>	Icebank Ltd. +)	3.338	n.a.		0,2%***	n.a.	0,6%*	n.a.	48,5%	n.a.
	SPRON +)	9.216	n.a.		0,3%	n.a.	0,8%*	n.a.	64,2%	n.a.
Norway										
<i>Amounts in NOK m</i>	Sparebanken Vestfold ++)	281	339	21%	0%***	0%***	0,4%*	0,8%	64,2%	64,7%
	Sparebanken Øst	610	519	-15%	0,02%	1,4%***	0,5%	0,9%	44,6%	595,3%
Sweden										
<i>Amounts in SEK m</i>	Sparbanken Gripen	281	303	8%	0,1%	0,3%	0,5%*	0,7%*	127,0%	77,0%

Source: Annual reports 2008

For footnotes and comments, please see next page

5) Key Figures of the Underlying Obligors III

Country	Obligors	Net Profit after tax			Net Commission & interest income			Income/Cost ratio		Annual impairments of loans and advances			Excess liquidity cover %	
		2007	2008	Δ Pct.	2007	2008	Δ Pct.	2007	2008	2007	2008	Δ Pct.	2007	2008
Denmark	Amagerbanken	393	-519	-232%	1.104	1.217	10%	1,8	0,6	18	1096	5989%	72	101
<i>Amounts in DKK m</i>	ebh bank ¹	250	n.a.		376	n.a.		1,8	n.a.	13	n.a.		60	n.a.
	Fionia Bank ²	244	-957	-492%	810	895	10%	1,5	0,5	71	1218	1615%	73	112
	Forstædernes Bank	275	-1.227	-546%	1.012	1.065	5%	1,5	0,3	50	1534	2968%	115	78
	Middelfart Sparekasse	36	-39	-208%	216	245	13%	1,2	0,8	7	44	529%	53	175
	Morsø Bank	29	1	-97%	129	142	10%	1,4	1,0	3	19	533%	57	125
	Roskilde Bank ³	242	n.a.		1.174	n.a.		1,4	n.a.	266	n.a.		69	n.a.
	Skælskør Bank	37	-11	-130%	130	131	1%	1,4	0,9	13	42	223%	35	41
	Spar Nord Bank	680	95	-86%	1.647	1.917	16%	1,6	1,4	(113)	275	-343%	92	87
	Sparekassen Farsø	38	-27	-171%	128	147	15%	1,4	0,8	(4)	42	-1150%	45	82
	Sparekassen Lolland	109	-57	-152%	355	386	9%	1,6	0,8	2	138	6800%	63	174
	Sparekassen Østjylland	43	-169	-493%	208	232	12%	1,3	0,2	(34)	138	-506%	71	202
	sparTrelleborg ⁴	-21	n.a.		321	n.a.		1,0	n.a.	107	n.a.		63	n.a.
	Totalbanken	67	-19	-128%	132	143	8%	2,3	0,8	(6)	69	-1250%	50	105
	Tønder Bank	38	-14	-137%	102	113	11%	1,6	0,8	(5)	(9)	80%	93	214
	Vestjysk Bank ⁵	222	258	16%	616	720	17%	1,8	n.a.	(15)	176	-1273%	48	72
Østjysk Bank	79	39	-51%	226	271	20%	1,8	1,3	15	49	227%	91	159	
Sydbank	1.710	606	-65%	3.433	3.880	13%	2,4	1,2	(568)	622	-210%	103	89	
Iceland														
<i>Amounts in ISK m</i>	Icebank Ltd. +)	1.616	n.a.		2.448	n.a.		210,0%	n.a.	540	n.a.		n.a.	n.a.
	SPRON +)	3.287	n.a.		4.177	n.a.		2	n.a.	1.430	n.a.		n.a.	n.a.
Norway														
<i>Amounts in NOK m</i>	Sparebanken Vestfold	71	54	-24%	93	91	-2%	1,6	1,5	13	50	285%	n.a.	n.a.
	Sparebanken Øst	207	-386	-286%	361	437	21%	2,2	n.a.	(4)	245	-6225%	n.a.	n.a.
Sweden														
<i>Amounts in SEK m</i>	Sparbanken Gripen	-34	45	-232%	269	281	4%	1,3	0,8	8	23	188%	n.a.	n.a.

Source: Annual reports 2008

For footnotes and comments, please see next page

5) Key Figures of the Underlying Obligors II

Footnotes to tables on previous pages

* Loan Loss Reserves/Total Loans and guarantees has been estimated by HSH Nordbank and calculated the following way: Provisions for Impairments/(Guarantees + Loans to customers + Provisions for Impairments)

** Operating income has been calculated by HSH Nordbank in the following way: Net interest & Net Fees + Trading Gains + Other Income

*** Provisions/Total Loan and Guarantees has been estimated by HSH Nordbank and calculated the following way: Impairments on loans and advances/(Guarantees + Loans to customers + Provisions for Impairments)

¹ EBH bank: all assets and liabilities except for subordinated capital and equity of the former EBH bank have been transferred to Bank A/S af 21. November 2008.

² Fionia Bank have signed an agreement with the state company Financial Stability. As a consequence all assets and liabilities except subordinated capital and equity will be transferred to a new recapitalised business unit. The transfer took place on May 27, 2009.

³ Roskilde Bank made a sales agreement on 24 August 2008 with a new bank established by the Danish Central Bank and the Private Contingency Association to transfer all assets, including loan portfolio, name, etc. and all debts and other liabilities except for hybrid core capital and subordinated loan capital. The formerly Roskilde Bank changed name to "Selskabet af 1. september 2008 A/S".

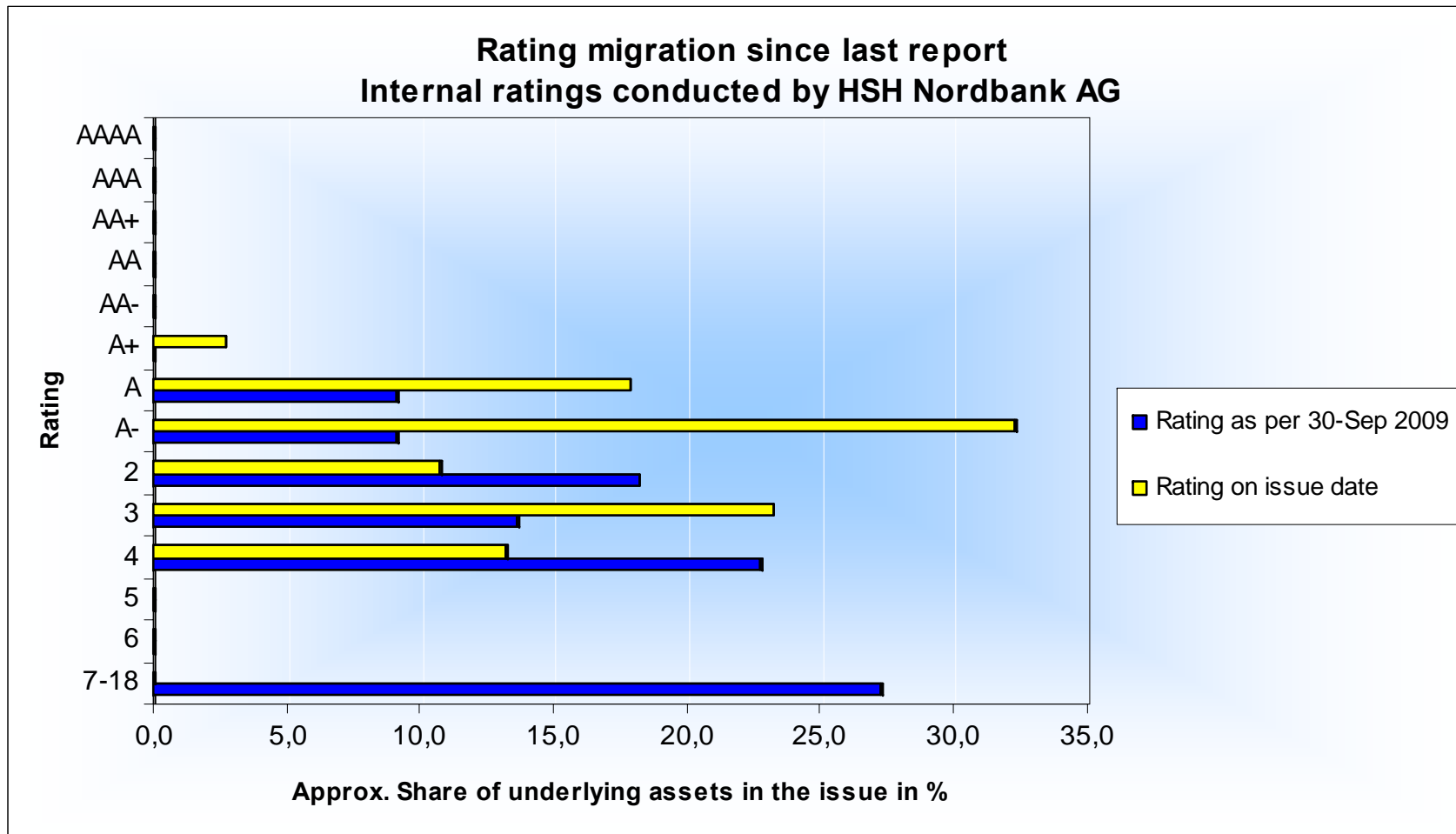
⁴ sparTrelleborg has been taken over by Sydbank as per 27 March 2008

⁵ Vestjysk Bank took over Bonusbanken as of September 2008 and merged with Ringkjøbing bank as of December 2, 2009. Vestjysk Bank took over Bonusbanken as of September 2008 and merged with Ringkjøbing bank as of December 2, 2009. The name of the merged entity is VestjyskBANK.

'+' Figures as per 31.12.2008 have not been published so far. Both entities are classified as in default (no interest payment has been received as per interest payment date 30.04.2009). Pls see previous information regarding this.

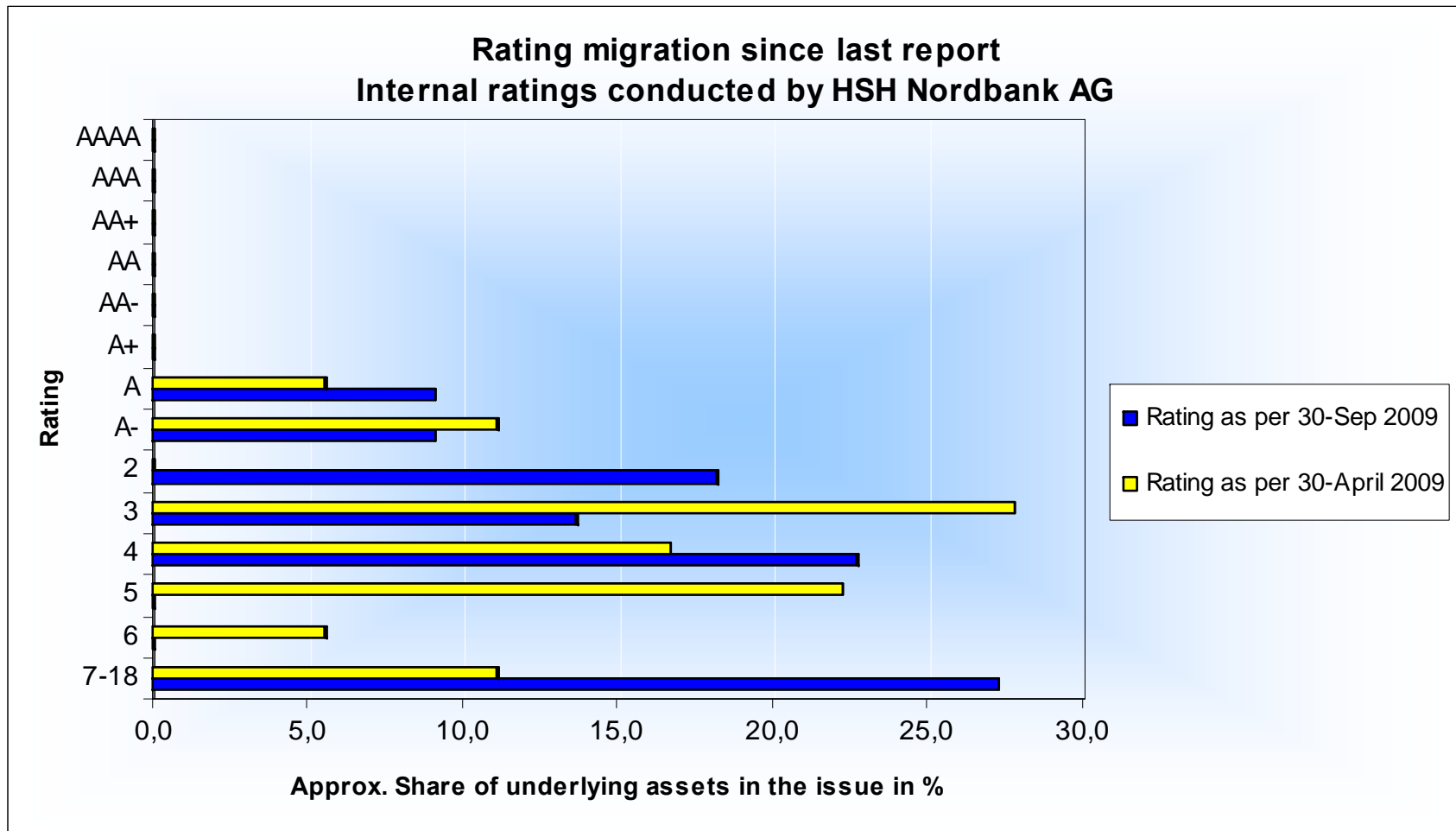
'++' As from 1st November 2008, Sandsvaer Sparebank and Sparebank1 Vestfold merged. New Name: Sparebank1 Buskerud-Vestfold.

6) Ratings of underlying obligors



Note: HSH Nordbank AG's internal rating scale runs over 25 steps from 1(AAAA) as the best rating to 18 as the poorest rating.

6) Ratings of underlying obligors

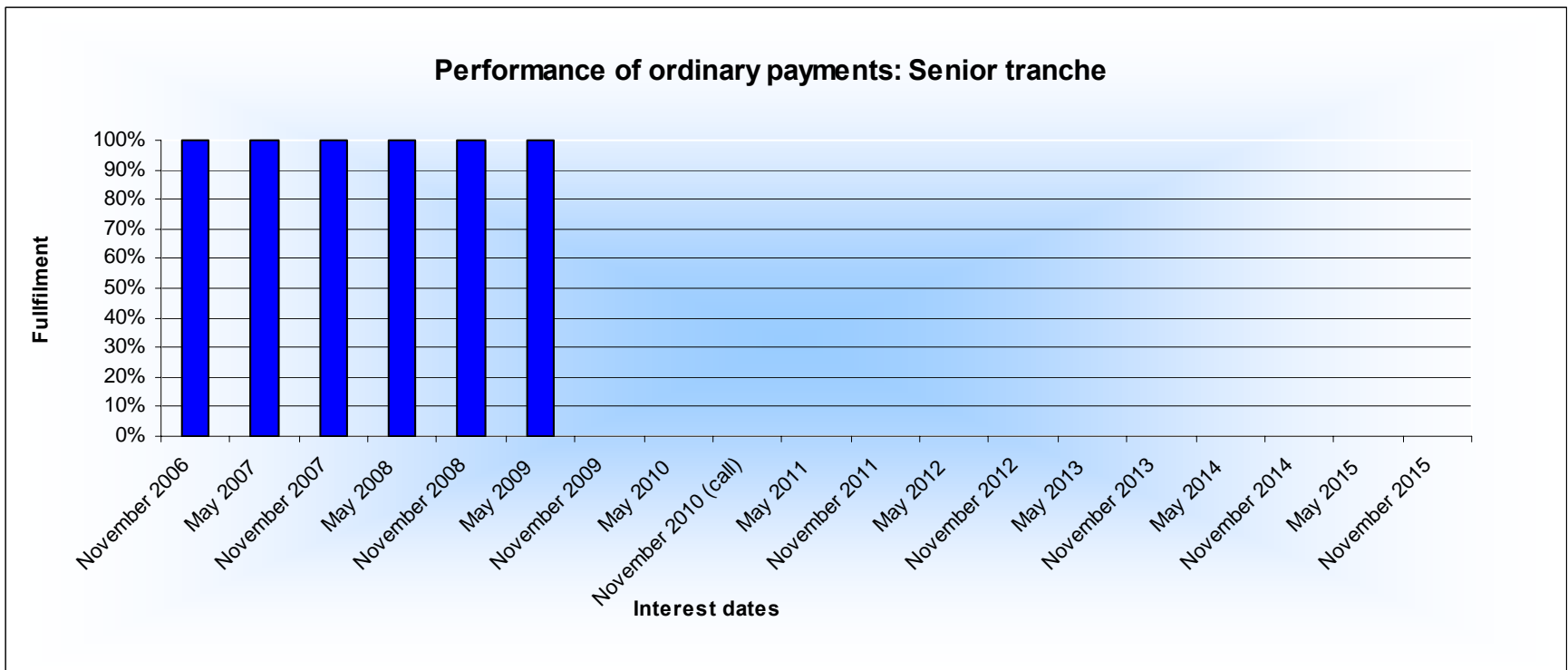


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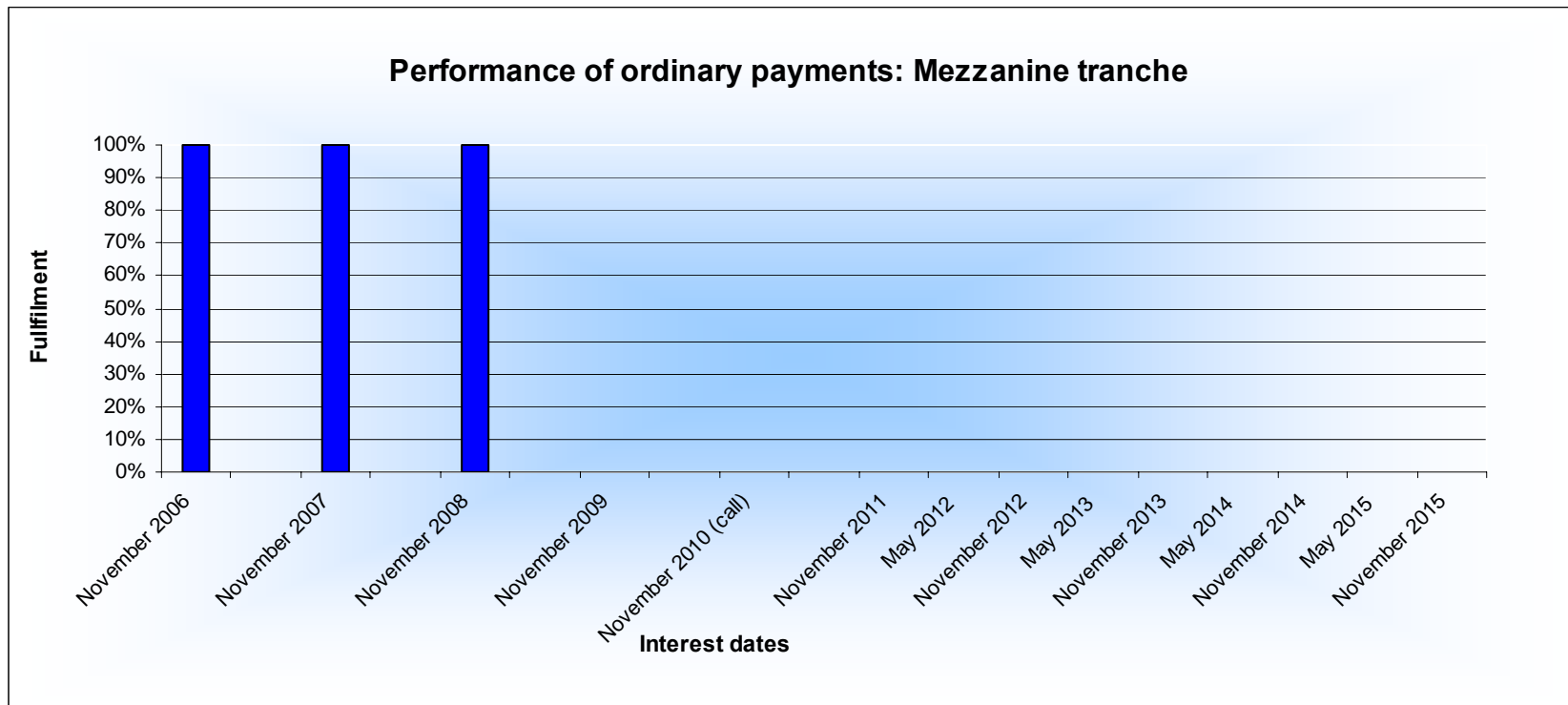
7) Rating of issued Notes

<i>Tranche</i>	<i>Current Moody's Rating</i>	<i>Moody's Rating as of last Reporting Date</i>	<i>Initial Moody's Rating</i>
A – Senior	Ba2 (on review for possible downgrade)	Aa2	Aa2
B – Mezzanine	Ca	Baa2	Baa2
C – Junior	n.r.	n.r.	n.r..

8) Performance of expected & ordinary payments I

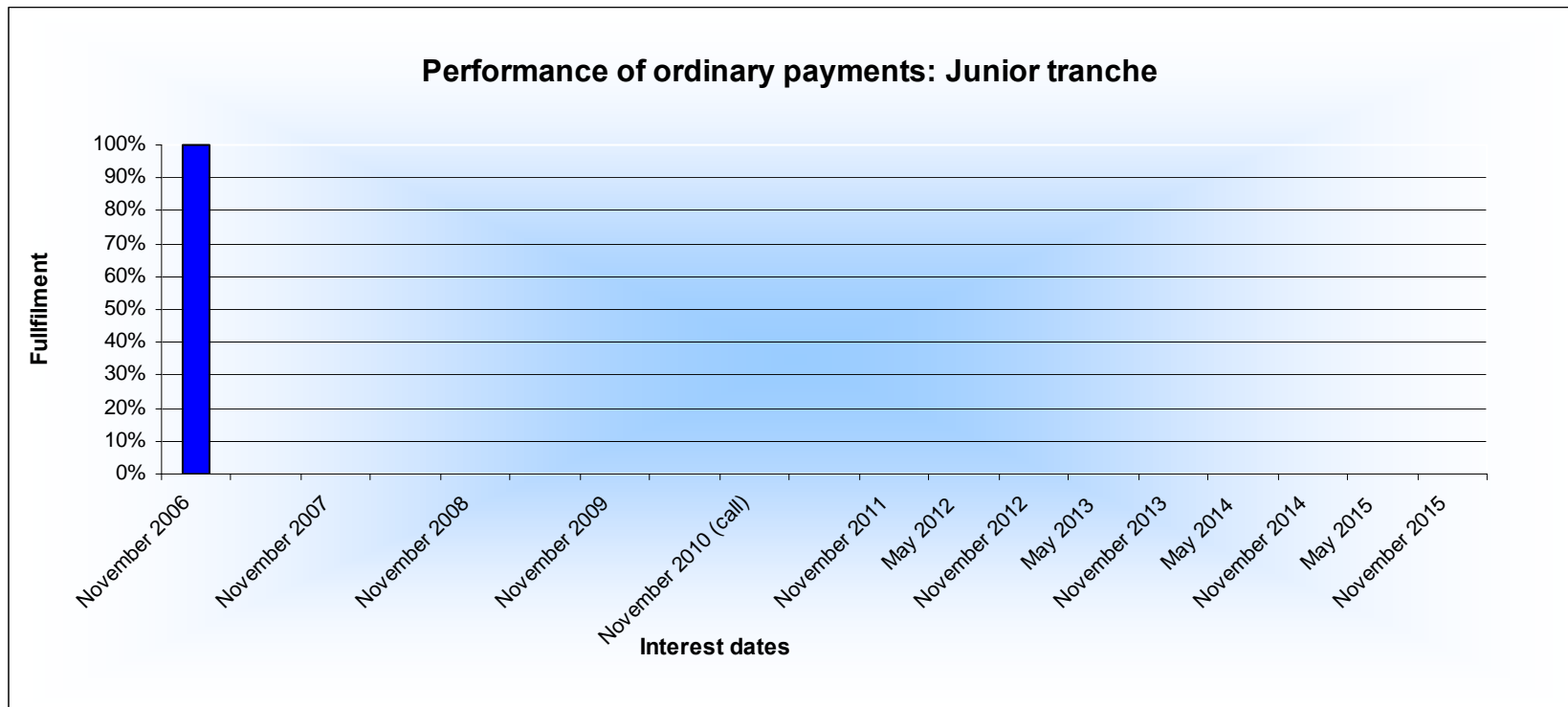


8) Performance of expected & ordinary payments II



Due to losses mentioned earlier, no payments on the mezzanine tranche will be made going forward, (subject to any potential recoveries from the previously mentioned banks.)

8) Performance of expected & ordinary payments III



Due to losses mentioned earlier, no payments on the junior tranche will be made going forward, (subject to any potential recoveries from the previously mentioned banks.)

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